

STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

KNOXVILLE FIELD OFFICE

3711 MIDDLEBROOK PIKE KNOXVILLE, TENNESSEE 37921 PHONE (865) 594-6035 FAX (865) 594-6105/5253

February 4, 2011

CERTIFIED #7010 3090 0003 3955 6995

Mr. Seth J. Smith American Coal & Iron, LLC 2192 Highway 278 Natural Bridge, Alabama 35577

RE: NOTICE OF VIOLATION

NOV #11-18

American Coal & Iron, LLC Childers Hill Facility NPDES Permit TN0072681 Hardin County

Dear Mr. Smith:

On October 6, 2010, you were notified by letter of the impending NPDES permit expiration for this facility. Your permit will expire on June 8, 2011. To date the Division of Water Pollution Control, Mining Section, has not received an application to renew your permit. Failure to apply for renewal of the NPDES permit at least 180 days prior to its expiration violates the terms and conditions of your permit, The Tennessee Water Quality Control Act of 1977 Section. 69-3-108. Permits. - (a) and Rules of the Department of Environment and Conservation Chapter 1200-4-3-.05(4).

The above violation must be abated within ten (10) days of your receipt of this letter. Failure to meet the abatement deadline could lead to additional enforcement action.

If you have questions concerning this matter, write to the letterhead address or telephone Micheal Robbins at (865) 594-5542 or me at (865) 594-5520.

Sincerely,

Jonathon Burr

NPDES Program Manager

Mining Section

Division of Water Pollution Control

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NPDES and NOV Files